

**AREA PLAN COMMISSION OF TIPPECANOE COUNTY  
ORDINANCE COMMITTEE  
MINUTES OF PUBLIC MEETING**

DATE.....June 2, 2004  
TIME.....4:45 P.M.  
PLACE.....COUNTY  
OFFICE BLDG.  
20 N. 3RD STREET  
LAFAYETTE IN 47901

<b>MEMBERS PRESENT</b>	<b>MEMBERS ABSENT</b>	<b>NON-VOTING</b>	<b>STAFF PRESENT</b>
Steve Schreckengast	Mark Hermodson		Sallie Fahey
Dr. Carl Griffin			Margy Deverall
Gary Schroeder			Rodney Forbes, Atty
KD Benson			
Robert Bowman			
David Williams			

KD Benson called the meeting to order.

**I. APPROVAL THE MINUTES**

Gary Schroeder moved to approve the minutes of the May 5, 2004 meeting. Carl Griffin seconded the motion.

Gary Schroeder mentioned that the minutes from May 5, 2004 listed him as present and absent and he should be absent only.

The motion carried, with correction, by voice vote.

**II. NEIGHBORHOOD DOWNZONING AND ITS IMPACT ON EXISTING MULTI-FAMILY CONVERSIONS OF SINGLE-FAMILY HOUSES – Citizen speaker, Terry Masterson**

Sallie Fahey reviewed the history of this request and the reasons for this presentation. She introduced Terry Masterson.

Terry Masterson, 1115 Central Street, Lafayette, IN, stated that he dropped off this memo to Sallie Fahey and expected this topic to be advertised in the paper in order for residents to come and voice their opinions. He said that he did not even know that he was a guest speaker until a couple of hours ago.

KD Benson asked for confirmation that this topic was advertised on the agenda.

Terry Masterson stated that there were some neighborhood residents present, who heard about it through the grapevine. He mentioned that the city has grown from the inside out for the past 150 years and in the last 4-5 years have turned that growth inside out. He said that the trend has been to take the density out of the core of the city and downzone the downtown area. He stated that some of the higher density needed to be moved, but there were some buildings that were downzoned that should not have been. He mentioned that some of the buildings were on small single-family 30' lots have vacant lots in between and the land is worthless with out the R3. He explained that these were good examples of places that could be backfilled with R3. He pointed out that moving the R3 to the edges of town is putting stress on the County Roads and causing tax increases for roads, water, sewer and trash pickup. He mentioned that it costs 3 million dollars a mile for roads with infrastructure. He stated that some of these should be revisited especially for people who bought and paid for R3 structures. He stressed that a lot of people specifically shop for buildings that are R3 and spend a lot of time and money investing in them and when they are downzoned it takes all of its value away. He stated that there is a lot of debate as to how zoning affects property value. He said that when looking at areas that have been

downzoned, the values have definitely decreased over the past few years. He pointed out that from 1980 to 2000 the property values only went up. He mentioned that a lot of the R3 areas had bad tax policies before 1980 and after they were changed, the values started to rise, the buildings started to sell and the living conditions of the structures started to improve. He stated that even though a lot of the structures were updated and improved, some were torn down and replaced. He explained that some owners felt that structures had a life span and when the life was gone the building should be torn down. He said that in some cases it was a necessary evil to tear down buildings. He pointed out that in the 1970s single family homes usually had one car and when single family homes started having 2 cars in the 1980s, buildings had to be torn down to make room for additional parking. He said that additional parking made some of these homes more valuable. He stated that this area was not broke and if it had to be fixed, it should not have been done in the manner it was. He said that some of the Committee's policies were inflexible and no one knows where they came from. He said that the policy that R3 could only go if it is knocked down and a new building put up has been inflexibly applied and no one knows where the policy came from. He stated that Wallace Triangle, the most recent neighborhood rezone, was the best example of this and there is no way some of the structures should not have been kept R3. He said that without R3, over a period of time, this area will be what a few of the residents want and that is a private enclave of R1. He stressed that he did not know why the residents who are in favor of R1, bought homes in an R3 area. He pointed out that this would diminish diversity in this area. He stated that the converted old house attracts a wide array of people. He explained that these units rent for less than modern apartments and attract not only people who want a cheap place to live, but also foreign students, industrious people who work more than one job and are saving for their own home. He reiterated that this is killing the diversity in the area. He stated that R3 is a valuable zone, but so is GB and CB. He said that the policy for R3 was finally put into writing a few weeks ago during the Wallace Triangle meetings. He pointed out that the policy for GB and CB is still not in writing anywhere and yet every time a neighborhood rezone is done these zones are replaced with an NB. He said that NB is not a bad zone, but it is not as valuable as GB, especially when it was bought and paid for as a GB. He mentioned that GB downzoned to NB would not appraise as high and this was causing all the business to be forced out of the city. He explained that by having some small GB zones, it allows the small businessman to prosper. He stated that there is no perfect zone, and not everything should be R3 or R1. He said that R3 makes sense in areas where there are a lot of big, old buildings that cannot support themselves as single family. He mentioned that there was some discussion as to creating new R3 zones that were defined by density and some people think that it is a good thing and some people think is a bad thing. He stated that he owns one building that would fit into this category. He has owned it for 20 years and it has always been an R3 and a duplex. He reviewed the history of this house. He said that it was turned into apartments around 1900, after WWII it was a boarding house, after the depression it had one owner for over 50 years who used it as a boarding house, several apartments and finally a duplex. He pointed out that if this had not been zoned R3, this building probably would not exist today. He stated that some buildings are historic treasures because something happened there or for architectural reasons and some are inside of an historic area and are just plain old. He stated that if all of Wallace Triangle were R3, there would not be anything torn down and replaced because almost everything was updated.

KD Benson stated that argument was used during the Wallace Triangle meeting because it has been R3 for 40 years and there are only 8 apartments.

Terry Masterson stated that everyone has known for 3 years that the zoning was going to be taken away if the election went badly. He explained that the areas that were heavily downzoned voted strongly against incumbents, overwhelming.

KD Benson stated that this was not the place for that discussion.

Terry Masterson thanked the Committee for putting this issue on the agenda. He said that he hoped some of this would be worked out in the future so that the neighborhood is stabilized and the property rates start to rise again.

KD Benson pointed out that every month the Commission hears rezone cases. She stated that anyone who had an R3 that was downzoned has an opportunity to petition for a rezone.

Steve Schreckengast mentioned that Terry Masterson would have the opportunity to address the Committee again after hearing from some other audience members.

Todd Helfter, 659 North 7<sup>th</sup> Street, Lafayette, IN, Centennial Neighborhood, stated that a large part of their neighborhood was zoned R3 and GB and since GB no longer allows residents, the area was changed to R2 and one corner R3. He said that they have had very good luck with the R2 zone. He informed the Committee that in 2001, a structure burned down and it could not be rebuilt with the 12 units, but had to revert back to the original configuration of 2 units. He explained that the 12-unit structure was only 4400 square feet and did not have any parking. He stated that "Godby Square" was left zoned R3U and right now is 90% vacant. He said that it is not true that all of the high-density building is on the south side. He pointed out the area of the Riverwalk Commons as a new high-density area. He mentioned that if there are 4 R2 properties in a row and they are torn down, only a 2-unit structure could be rebuilt. He explained that if there are 4 R3 properties in a row and are destroyed 30 units could be rebuilt. He said that is what was happening in the Centennial Neighborhood. He stressed that they were losing 4 houses of historical nature and getting cinderblock buildings instead. He stated that the neighborhood needed this rezoning to protect them from this example, not from a couple of apartments in an old house.

Allan Welch, 1021 North 10<sup>th</sup> Street, Lafayette, IN, Lincoln Neighborhood, stated that he owns a duplex and a single-family home in the Lincoln Neighborhood. He said that he was in favor of the neighborhood rezonings that have been done in recent years. He said that as a community they probably would have preferred to be in a community of single-family homes, but were aware of the reality of the city. He stated that they worked hard to ensure there were some areas of the neighborhood that remained high density and set those sections aside. He said that this did cause some properties to be downzoned, but it was necessary to protect it from the same threats of large structures replacing several homes. He mentioned that the infrastructure would be cheaper in the central part of town. He stated that the sewers are not able to handle the higher density and neither are the sidewalks. He said that in the Lincoln neighborhood alone, there are 800,000 dollars of sidewalk repairs that are needed and only 80,000 dollars available. He stated that when they did this rezone, everyone participated and everyone's voice was heard. He said that the rezone was done effectively with consideration to all properties.

Pat Wilkerson, Brown Street, Lafayette, IN, Historic Jefferson Neighborhood, stated that they worked very hard on their rezoning. She said that they left pockets open for higher density and had a lot of input from all residents. She mentioned that there are a lot of residents in her neighborhood that are homeowners and investment property owners. She said that this area is 75% rentals, it is very crowded and there are a lot of parking problems. She stated that she does not want to lose the zoning that they worked so hard for and see the area become even denser. She asked if she could pass around some pictures of some rental properties in her neighborhood.

Michael Hunt, 602 North 5<sup>th</sup> Street, Lafayette, IN, Centennial Neighborhood, passed out some brochures that his neighborhood association has put out, demonstrating the changes in the neighborhood over the past few years. He stated that these brochures would not be possible if the area had not been downzoned. He said that the neighborhood is alive and well and headed in the right direction. He mentioned that before the rezone the neighborhood was being destroyed and historic homes were torn down in favor of high-density complexes. He stated that the rezone was necessary to protect them.

Bob Carpenter, 619 South 4<sup>th</sup> Street, Lafayette, IN, Ellsworth-Romig Neighborhood, stated that his neighborhood was one of the first to go through the rezone process, so some of the policies were developed during this rezone. He said that there has not been any problem as a result of this downzone. He mentioned that this neighborhood is on the move and has a couple of PDs in the works. He stated that the PD process is a vital tool to manage density in the older neighborhoods. He mentioned that the streets are very narrow and there are a lot of parking

issues. He pointed out that during the rezone process, some areas were set aside for multi-family houses. He reviewed all of the changes that are occurring in his neighborhood and said that the neighborhood has really filled in. He stated that the only real issue in the neighborhood is vacancy, which is a marketing issue and not a zoning issue. He said that rental properties have been overbuilt, which is why no one is living downtown anymore. He stated that there is an opportunity to add 50 new single-family, owner occupied homes, which will stabilize the neighborhood. He mentioned that rentals do not have a lot of stability, and even students leave every 4 years. He reiterated that the PD process is very useful and can address the multi-family issues in the older neighborhoods.

Steve Schreckengast asked how many older neighborhoods were left to go through the rezone process.

Sallie Fahey stated that the neighborhoods that have resolutions from the city are Hanna, McAllister-St. Lawrence and Monon.

Steve Schreckengast asked if they were mostly north of Greenbush St.

Sallie Fahey replied affirmatively, except for Hanna, which is mostly south. She stated that after the land use survey was completed, they would have a better idea as to whether south of Kossuth Street should be handled as a separate neighborhood.

Kevin Klinker asked if there was any experience or documentation to support the theory that an R3 loses value when it is downzoned to an R1.

KD Benson stated that APC does not track that information.

Sallie Fahey confirmed that APC does not track sale prices. She said that she was not sure if disclosure sheets were even available. She pointed out that it would be very difficult to sort out the factors that would affect property value, such as the market and interest rates. She stressed that it would be very difficult to determine whether zoning has any affect on the value.

Jan Payne, Fairfield Township Assessor, stated that the sale disclosure sheets are public record. She said that she has been tracking sale prices vs. assessed value. She stated that the value of rental properties has held steady and not necessarily decreased. She mentioned that some of the older neighborhoods do not have values listed, but for the most part the rentals have held steady since the 1998/1998 values.

Kevin Klinker stated that was great news for a landowner.

Dick Nagle, 620,622 Ferry Street, Lafayette, IN Centennial Neighborhood, stated that he agreed with a lot of Terry Masterson's comments but did not feel that the zoning or downzoning was the real problem. He said that a lot of the issue has to do with maintenance and he did not believe that a house had a life span. He pointed out that there are many structures in Europe that are over 1000 years old. He mentioned that this community has been very weak on enforcing maintenance. He agreed with Terry Masterson's comment that some of the larger older homes would not still be in existence if they had not been R3. He stated that he thinks that some day these homes will be converted back to single-family because there are houses just as big being built on the edge of town. He said that he believes that the legislature needs to fix the huge tax problems. He stated that the older homes and neighborhoods are affected more by the tax problems than zoning.

Terry Masterson agreed that all of the decreases in value could not be blamed on zoning. He said that part of the problem might be that the APC gives away too many rezonings to developers, but it is not the only problem. He mentioned that the low interest rates have taken away a lot of the best tenants because they have bought their own houses. He stated that he has not seen the picture that was passed around, but it was probably taken on a day when the yard work was behind.

Steve Schreckengast stated that the yard looked ok, it was the building that needed work.

Terry Masterson stated that the house did need a paint job and he was about a year behind on his work. He said that not everything the APC does is all that bad. He mentioned that some policies that have been put in place are being followed too rigidly. He stressed that in the Wallace Triangle, there is not one R3 left and nothing was set aside for it. He said that the older large homes that have been saved because of the R3, should be revisited. He stated that creating a new category for the R3 is concern because it is causing a rift between the wealthier R3 areas. He mentioned that the new category could have higher registration costs.

Steve Schreckengast stated that there is no right or wrong answer. He said that he remembered when the Centennial Neighborhood rezone went through and it was a lot easier and less controversial than the Wallace Triangle Neighborhood. He stated that there was a lot more cooperation among residents during the Centennial than during the Wallace Triangle rezone. He mentioned that the Historic Jefferson neighborhood was also very cooperative. He commented that the Wallace Triangle meetings were very antagonistic. He agreed with the concern that a couple of houses could be replaced with a large multi-family structure. He pointed out that the Wallace Triangle had 40 years to utilize the R3 and it was never done. He mentioned that if there was a lower density classification for R3, then that would really help the concern of converted a house being torn down in favor of complexes. He stated that there might be one or two structures in Wallace that probably should have an R3 zone. He quoted from the book "Building Community, Live Together and Play", pointing out that diversity of housing and mix of home types are signature characteristics of traditional neighborhood design. He stated that the 5<sup>th</sup> Street development, which is comprised of row houses with apartments, is an excellent design.

Michael Hunt stated that the 5<sup>th</sup> Street development was a PD and completely owner occupied.

Steve Schreckengast stated that he did not agree that the perfect solution was 100% owner occupied neighborhood. He stressed that diversity is needed.

Robert Bowman stated that 40 years ago, he bought his building as an apartment building and he converted it back to a single family home. He said that it has worked out well for his family. He explained and reviewed the renovations he did. He mentioned that he put a lot of money into the house. He stated that depriving people of converting back to a single family home would be a mistake.

Phyllis Hunt clarified that the row houses and brownstones on 5<sup>th</sup> Street was a planned development that was all owner occupied. She said that this was the best solution because the area used to be vacant and industrial. She stated that the brownstones were 3 levels, with one unit and a garden apartment for rental. She mentioned that they have moderate to low rate as well as market values. She stressed that they are not strictly apartments.

Steve Schreckengast stated that he understood and that it was still a mixed use, whether it was a PD or not. He said that this project was not the most economically fruitful because of the complexity of it. He stated that it was a beautiful project, but there would probably not be another one like it because of the complexity of it. He pointed out that the longest unit was on the market for 2 years.

KD Benson asked the staff to start addressing the creation of new R3 classifications. She mentioned that to continue to be flexible, if residents want to petition for a spot rezone, and there is neighborhood support, the APC probably would not turn it down, if it could benefit the area.

Sallie Fahey stated that the next topic on the Ordinance Committee agenda was R2 and R2U and Terry Masterson could be added to that work group. She said that R3 gradation discussions could begin when R2 was complete.

KD Benson commented that this would again give the topic a public forum.

### III. CITIZEN COMMENTS

### IV. ADJOURNMENT

Gary Schroeder moved to adjourn the meeting. Carl Griffin adjourned the meeting

Respectfully submitted,



Michelle D'Andrea  
Recording Secretary

Reviewed by,



Sallie Dell Fahey  
Executive Director